IN THE MINISTRY OF FINANCE (SHRI B. K. GADHVI): (a) and (b) As per the terms of reference of the Fourth Pay Commission, the Commission was required to make its recommendations having regard inter alia to the prevailing pay structure under the State Governments. The Commission had complied with this requirement before making their recommendations on the revision of pay scales of Central Government servants and other matters. However, the Government of India did not accept a suggestion from a State Government for discussing the implications of the implementation of the recommendations of the Fourth Pay Commission on the finances of the State Governments and plan outlays.

Decisions taken at the meeting of Chief Ministers

1015. SHRI PARVATHANENI UPENDRA: Will the Minister of FINANCE be pleased to state:

(a) whether he had convened a meeting of the Chief Ministers on February 9 and 10 this year;

(b) if so, what were the subjects discussed at the meeting and the decisions taken thereat; and

(c) whether some Chief Ministers had registered their dissent to the decisions?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA): (a) Yes, Sir.

(b) The subjects discussed in the meeting include levy of tax on inter-State consignment of goods levy of discriminatory rates of sales tax by the States and Union Territories, the question of extending levy of additional excise duties in lieu of sales tax on 5 additional commodities, evasion of sales tax by bogus booking of goods by rail, monitoring and implementation of externally aided projects in States, constraints in the opening of bank branches, assistance from the State Governments for recovery of overdues by commercial banks, professionalisation of the posts of Directors and Chief Executives of State Financial Corporations and State Industrial Development Corporations, group insurance scheme for landless agricultural labourers, hut insurance scheme for poor families in rural areas and recovery of overdues from State Electricity Boards.

Detailed discussions were held on these subjects and it was agreed to take further action in the light of the decisions-taken|discussions held. Some of the important items on which consensus was arrived at include levy of tax on intre-State consignment of goods and various modalities connected thereto, adoption of minimum floor-level rates recommended by the Committee of Sales Tax Commissioners in respect of 20 identified items and not to extend the scheme of levy of additional excise duties in lieu of sales tax on 5 additional commodities, for the present.

(c) Some of the Chief Ministers expressed reservation for giving concurrent power of exemption to the Centre from the levy of consignment tax and desired their reservation to be registered, but they agreed to the issue of guidelines by the Centre.

Pollution of Loktak Lake

1016. DR. YELAMANCHILI SIVAJI: Will the Minister of ENVIRONMENT AND FORESTS be pleased to state:

(a) whether it is a fact that Loktak, the largest natural lake in Eastern India is now in a highly polluted state and its very existence is threatened; and